

small-arms ammunition and firearms; to the Committee on Ways and Means.

6677. Also, petition of Mr. J. I. Hegge and 45 others, of Mad-dock, N. Dak., petitioning for the enactment of emergency legislation to stabilize the price of farm products to a level more nearly equal to the price that the farmer has to pay for articles which he purchases; to the Committee on Agriculture.

## SENATE.

SATURDAY, December 23, 1922.

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father, we thank Thee for the angels' song of peace and good will to men, and we long for the time when that peace and good will shall be realized in human hearts and lives, that men shall understand one another and man to man be true as a brother. We long to see the time when war and its desolating and destructive influences shall cease and nations shall learn war no more. O for the coming of those thousand years pledged.

And we do ask Thee that this day our hearts may be gladden-ed by the thought that each one of us can be the minister of peace and good will to tried and sad hearts, as well as to the children and youth of our day. We ask in Christ Jesus' name. Amen.

The reading clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

### MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Over-hue, its enrolling clerk, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3295) to consolidate the work of collecting, compiling, and publishing statistics of the foreign commerce of the United States in the Department of Commerce.

### ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED.

The message also announced that the Speaker of the House had signed the following bills and joint resolutions, and they were thereupon signed by the Vice President:

S. 3275. An act granting pensions and increase of pensions to certain soldiers, sailors, and marines of the Civil and Mexican Wars and to certain widows, Army nurses, former widows, minor children, and helpless children of said soldiers, sailors, and marines, and to widows of the War of 1812, and to certain Indian war veterans and widows, and to certain maimed soldiers, sailors, and marines;

H. R. 3034. An act for the relief of Lizzie Askeli;

H. R. 5349. An act to amend the act authorizing the Secretary of the Navy to settle claims for damages to private property arising from collisions with naval vessels;

H. R. 7912. An act to provide a method for the settlement of claims arising against the Government of the United States in sums not exceeding \$1,000 in any one case;

H. R. 8996. An act to amend section 5211 of the Revised Statutes of the United States;

H. R. 12174. An act to authorize the Attorney General to convey certain land of the United States to Fulton County, Ga., to widen McDonough Road in front of the United States penitentiary;

H. J. Res. 180. Joint resolution extending the provisions of the act of February 25, 1919, allowing credit for military service during the war with Germany in homestead entries, and of Public Resolution No. 29, approved February 14, 1920, allowing a preferred right of entry for at least 60 days after the date of opening in connection with lands opened or restored to entry to citizens of the United States who served with the allied armies during the World War; and

H. J. Res. 279. Joint resolution to permit to remain within the United States certain aliens admitted temporarily under bond in excess of quotas fixed under authority of the immigration act of May 19, 1921.

### SENATOR FROM CONNECTICUT.

The VICE PRESIDENT. The Chair is in receipt of a communication from the Governor of the State of Connecticut, transmitting the certificate of election of GEORGE P. McLEAN

as a Senator of the United States for the term beginning March 4, 1923, which will be read and placed on file.

The certificate was read and ordered to be placed on the files of the Senate, as follows:

STATE OF CONNECTICUT,  
Executive Department.

To the President of the Senate of the United States:

This is to certify that on the 7th day of November, 1922, GEORGE P. McLEAN was duly chosen by the qualified electors of the State of Connecticut a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 4th day of March, 1923.

Witness: His excellency, our governor, Everett J. Lake, and our seal hereto affixed at Hartford, this 20th day of December, in the year of our Lord 1922.

[SEAL.]

EVERETT J. LAKE, Governor.  
DONALD J. WARNER, Secretary.

SENATOR GEORGE W. NORRIS.

Mr. LA FOLLETTE. Mr. President, the Senator from Nebraska [Mr. NORRIS] was absent from the Senate Chamber yesterday, and he may be absent for several days. He was called away on a message informing him of the serious illness of a member of his family. He wished me to announce his absence in the event a vote was taken. I believe there was no vote taken yesterday, but as unanimous consent was asked and agreed to, to which possibly he might have objected had he been present, I wish the RECORD to show his necessary absence on yesterday, and the reason for it.

### DEFLATION POLICY OF FEDERAL RESERVE BOARD.

Mr. HEFLIN. Mr. President, a few weeks ago the Wall Street Journal addressed 12 questions to me regarding the deflation policy of the Federal Reserve Board. I answered those questions, and the questions and answers have been printed in the Wall Street Journal. I ask to have them printed in the CONGRESSIONAL RECORD in 8-point type.

The VICE PRESIDENT. Is there objection? The Chair hears none and it is so ordered.

The matter referred to is as follows:

SENATOR HEFLIN REPLIES.

UNITED STATES SENATE,  
COMMITTEE ON AGRICULTURE AND FORESTRY.  
October 3, 1922.

DEAR SIR: I thank you for printing in the Wall Street Journal of September 26, my letter to you of September 12, in which I believe I exploded the claim of ex-Governor Harding of the Federal Reserve Board, which had been printed in your columns, that:

"The Federal reserve banks in acquiring building sites and constructing bank buildings were making capital expenditures, consequently these operations do not diminish in any way the amount of franchise taxes payable to the United States Government."

I gave you figures which showed that the reserve banks had for the years 1918, 1919, 1920, 1921 charged off over \$10,000,000 for alleged depreciation in bank buildings, most of which were as yet unfinished, and had also charged against net earnings about \$4,000,000 more for furniture, equipment, vaults, etc.; but my statement was over-conservative, for I omitted important "charge offs" in the calendar year 1921, which would have brought the total of such charges against net earnings and profits up to more than \$15,500,000. As a result of those bookkeeping entries the Federal Government was plainly robbed of many millions of dollars to which it was entitled, despite ex-Governor Harding's unwarranted assertion that the cost of land and buildings were "capital expenditures" and that "these operations do not diminish in any way" the franchise taxes due the Government.

You suggest that—

"Granting that the outlays for land and new buildings were right, sound banking and bookkeeping made these depreciation charge offs against earnings equally proper."

I know of no one who can defend the monstrous outlays which I and others criticized and condemned or who can show that either the expenditure or the charge offs were "proper." The absurdity and unfairness of the reserve bank methods of escaping payment to the Government of franchise taxes was well illustrated in the case of the Federal Reserve Bank of Chicago, which purchased property in 1918 at a cost of \$2,938,000, declared in the annual report for the same year that the old buildings were "not regarded as being of any value," but before the new buildings were completed the bank had charged off for alleged "depreciation" the sum of \$3,024,062, a portion of which was charged against net earnings and a portion charged against "supersurplus."

## BANK OF ENGLAND'S SITE.

I note your excuse that the "Bank of England" has written down to nil its valuable site in the city of London; but this has been done in the course of 100 years or more, and let me remind you that the expenditures in connection with the New York Reserve Bank's banking edifices have been on such a scale that I understand that the amount paid out for commissions, fees, rake-offs of one kind or another to "architects, contractors, and engineers" in connection with that building exceed the total cost of both land and buildings of the great Bank of England, that classic structure so familiar to the banking world.

You ask that I answer for you 12 questions which you print, and I am pleased to comply with your request.

"First. Under the bank act, with limitation of dividends, are not the surplus earnings of the Federal reserve banks in effect the property of the people?"

Ninety per cent of the surplus earnings of the reserve banks, after the payment of 6 per cent dividends, belongs to the Government, are "in effect the property of the people," and when those earnings are reduced by extravagance and by improper bookkeeping entries the people are robbed.

"Second. Is not the main function of the Federal reserve system the sound underpinning of the whole financial structure?"

The main functions of the reserve system are to provide a scientific and effectual mobilization of bank reserves; to furnish a safe and elastic circulating medium; to furnish credit to member banks for the legitimate needs of those banks; and the country's business of all kinds impartially and promptly. If those banks are to have an "underpinning" of extravagance, extortion, favoritism, and incompetency, instead of being supported on the foundation stones of frugality, conservatism, impartiality, and broad statesmanship, the system is doomed.

## REAL ESTATE AGAINST RENT.

"Third. Is it not sounder financial building to put surplus banking earnings into building construction, if rental charges against expenses are thereby reduced, than to use them in National Government expenditures?"

It is sound policy within certain limitations for a bank to own its banking house and thereby reduce its rental charges. But the official records show that no such excuse can be offered to justify the stupendous extravagance displayed by the reserve banks in the cases under discussion. This question is further covered in my answer to your question No. 10.

"Fourth. Can you divide the capital and accumulated surplus of an institution and say which part has been put into the construction of a building except as a matter of bookkeeping?"

The Reserve Bank of New York in December, 1919, when the preliminary contract was given to contractors for its palatial banking quarters (originally estimated to cost about \$30,000,000 and by subsequent estimate, in March, 1921, as shown in board's report to Senate October 31, 1921, reduced to \$25,646,000), reported its paid-in capital at \$22,387,000, and its surplus at that time, arising from the change in the Federal reserve act which enabled a reserve bank to accumulate a surplus equal to 200 per cent of its paid-in capital before paying franchise taxes to the Government, was \$32,229,000. The cost of the building which it was proceeding to erect was therefore equivalent to 115 per cent of its capital, or approximately 50 per cent of the combined capital and surplus. It is immaterial whether the amount invested in banking houses is assigned to capital or to surplus.

"Fifth. Is not the substitution of building construction for rents a sound underpinning for the whole financial structure?"

The substitution of building construction for rents is not sound but a very rotten "underpinning" for the financial structure, when the yearly cost or output for its banking house is multiplied 500 per cent and more by such expenditure, and when these additional costs may involve impairment of the bank's surplus, if not of its capital. Some of the reserve banks, I am informed, are already operating at a deficit and are not making their dividends as a result of their gross extravagance, reckless management, and reduced earnings.

## A QUESTION OF SERVICE.

"Sixth: Is not the soundness of the Federal reserve system, the increase of its facilities and abilities to serve the public, and the reduction of rental charges against earnings in the interest of the people and their business?"

If a reduction of rental charges against earnings is "in the interest of the people and their business," the converse of that proposition suggests that such a reckless increase in housing costs as has been exposed may be regarded as distinctly against the public interest.

"Seventh: Is it anything more than a question of business judgment as to the proportion of capital or income that shall be put into buildings?"

The monstrous expenditures which have been sanctioned and are now under way, for the erection of banking palaces for some of the reserve banks, have been on such a scale that not the "judgment" but the good faith and sanity of the men who have authorized and directed some of these expenditures has been seriously brought into question. A doctor whose "judgment" impelled him to administer a dozen grains of strychnine to a patient, when only a small fraction of a grain was justified, would probably be either hung or sent to an insane asylum.

A leading and distinguished citizen of one of our large eastern cities recently declared in regard to these exposures concerning the reserve banks:

"If you think the Tweed Ring in their days and ways was any comparison with the Federal Reserve Board transaction, you misapprehend the size.

"I lived in those days, and I remember their sensations, which were tame when compared with these.

"If only the same men who got after Tweed could get after these, they would prove an ornament to the generation and have a life estate that would perpetuate the recollections.

"Then the sufferance was in one State, confined to the city of New York; now the dominion is vast, broadcast throughout the United States."

I am told that the money which it was planned to spend on the banking quarters of the New York Reserve Bank was twice as much as the "Tweed Ring" was charged with squandering in connection with the construction of the old notorious county court house in New York City.

## WHO IS THE LOSER?

"Eighth. Might it not better be assumed that what is paid in taxes by the Federal reserve system is lost to the people and its Federal reserve system than to declare that building sites and bank buildings are 'actual losses which the Government has sustained?'"

It might be assumed, but it would be a false assumption. Every dollar of franchise taxes paid into the Treasury by the reserve banks reduces to that extent the amount of taxes to be paid by the people.

When money which would otherwise go into the Public Treasury is squandered on big palaces owned by the banks and not by the Government the Government is plainly the loser.

"Ninth. How can the Government or the people sustain an 'actual loss' by the substitution of construction for expenditure?"

The people did, for example, sustain an actual loss of over \$6,000,000 when a few reserve banks charged against the expenses for alleged "depreciation" in bank buildings, not yet completed, over \$7,000,000, over 90 per cent of which, or, say, \$6,000,000, would have been paid into the Federal Treasury as franchise taxes. The Government has been deprived of millions more by their unwarranted charges made against earnings by the bank.

The people of this country also consider that the Government was unjustifiably deprived of revenues, and that public moneys were squandered when the 12 reserve banks increased their salary lists from \$4,768,449 in 1918 to \$19,478,250 in 1921. The board's report to the Senate also shows that one of these banks—the Federal Reserve Bank of New York—raised the salaries of about one-half of its 40 officers to more than 500 per cent of the aggregate of the salaries which they were receiving immediately before, or at the time of, their first employment by the reserve system. The official reports show that the salary of one of those 40 officers was raised to 737 per cent of the salary received immediately before employment by the reserve bank. Another was raised to 733 per cent; two more were raised to 694 per cent; and two other officers were advanced to 520 per cent of their old pay. Another was jumped to 454 per cent, and still another to 480 per cent of the salary which he was receiving about the time of his first employment by the bank. The record of a young man, originally employed by the reserve system at \$3,000 as a law clerk, who was without practical banking experience, never having been employed by any bank as far as I can learn before going to the Reserve Bank of New York, but who had, in addition to his legal work, been frequently used by the Reserve Board as a lobbyist at the Capitol, was not long since rewarded by being made deputy governor of the New York reserve banks at a salary of \$25,000 a year.

## BETTER TO BUILD THAN SPEND.

"Tenth. Is it not better for an institution as well as an individual to build rather than to spend—to substitute a home for rents?"

According to the reserve board's reports to Congress, the total amount paid in rents in 1918 by four of the reserve banks, when business in their most important departments was far



larger than it is now, or than it is likely to be for years to come, was \$262,879, and in 1920, when rents were generally at their maximum, those same banks paid \$590,109 for rents. Do you suggest that it is better and more economical to substitute for annual rentals of \$262,879, or even \$590,109, the expenditure of \$49,878,914, which the board authorized those four particular banks to squander on their banking palaces upon which city taxes (if taxed at cost) and upkeep are alone estimated at over \$1,500,000 a year, and the interest on the money so locked up at only 3 per cent per annum would amount to over \$1,500,000 additional? If the business interests of the country generally should be conducted on any such basis as that, the country would soon become bankrupt. The money employed in those buildings would not have been taxable if loaned out on commercial or agricultural paper.

"Eleventh. Are not the post-office buildings a proper charge against postal receipts?"

No. Under our laws the Postmaster General could not use as much as \$25,000 of post-office receipts to build a post office in any town or city, however greatly it might be needed, without special act of Congress. But until the reserve act was changed last winter—and I helped to have it changed—the reserve board and the reserve banks could spend any amount they pleased on banking palaces, and did actually authorize the expenditure of \$25,646,410 for banking quarters for the Reserve Bank of New York alone. Furthermore, preliminary contracts for the monument of extravagance were let in December, 1919, about the very time that the New York Reserve Bank, as the records show, was borrowing from other reserve banks in different parts of the country over \$100,000,000, and about the time that the Federal Reserve Board actually suspended its reserve requirements to aid the New York Reserve Bank, which in making huge loans to big speculative institutions had, in the opinion of conservative and well-informed bankers, trampled upon the most elementary precepts of prudence and sound banking. I can furnish particulars, if you want them for the information of the public.

"Twelfth. Does Senator HEFLIN approve of the post office paying large rents to private owners of property or running in debt for building construction? If not, is there any other prudent course to pursue than building construction and amortization of the cost from earnings?"

That depends upon circumstances and upon your definition of "large." Rentals of even \$590,109 for four banks certainly and very obviously would not justify an expenditure of \$49,878,914 for new buildings in order to avoid the payment of that rental.

I have answered frankly and, I think, fully the 12 questions which you propounded to me and printed in your columns of September 23, and I will thank you to publish my reply at your earliest convenience.

J. THOS. HEFLIN.

#### AN INJUSTICE TO THE SOUTH.

Mr. HARRIS. Mr. President, on Thursday the Senate confirmed the nomination of an Associate Justice of the Supreme Court of the United States and the nominations of certain members of the Interstate Commerce Commission.

I wish to call the attention of the Senate to the fact that south of the line drawn from Baltimore to San Francisco, which embraces the entire South and one-half of the country, there is no member on the Supreme Court, the Interstate Commerce Commission, the Federal Trade Commission, and other commissions. I do not refer to this matter in any partisan or sectional spirit. I am sure that the Senators know that I have never uttered one word since I have been a Member of this body that would lead to partisan or sectional debate. I have given all my time to the important work of the Senate.

During the last administration I protested against the injustice done the South in the matter of these appointments. I do not expect the South to get many desirable political appointments, except those purely local, under this administration, and I have not tried in any way to influence the appointments for these positions nor do I intend to. I realize that the most desirable positions are given to the States which furnished votes for the election of President Harding, but I do think that on account of the conditions peculiar to our section we should have just representation on the Supreme Court, Interstate Commerce Commission, and other commissions.

The Supreme Court is the very foundation stone of our Government, and every section, regardless of politics, should have its fair representation. The commercial conditions in the South are different from other sections, and it is all the more important that we should have representation on the Interstate

Commerce Commission, which fixes the rates for freight and passengers.

Until two years ago, when I joined several Senators and succeeded in getting the rates lowered from the Southeast, the railroad rates fixed by the commission from the Middle West to the southeastern ports were higher than to the eastern ports and discriminated against the Southeast. We protested against this injustice, and the commission lowered the rates to make them fair to all sections.

The South is discriminated against in the matter of ocean freight rates on cotton and other products. I have urged, and will continue to urge, that this injustice to the South be remedied. I have discussed this matter with several Senators on the other side of the Chamber—Republicans—and they agree that it is a great injustice to the South and should not remain so.

The South has for years been taxed many millions annually by the protective tariff. Our principal production, cotton, is exported and received no protection from the Government, while we must compete with the pauper labor of the world in producing it.

Our country has suffered in many ways from such injustice on the part of our Government. I am proud of the fact that there is no more loyal section of the United States than in all the territory I have referred to from the Potomac to the Rio Grande. It is the one section of our country where the President of the United States can go without any secret agents or bodyguards to protect him, and he is absolutely safe from all harm and danger, no matter what his politics may be.

In the Spanish-American War—I hope I may be pardoned for referring to the fact—Georgia, the State I have the honor in part to represent, sent more soldiers to the war, compared with her population, than any State in the Union. In the World War our section certainly did its full duty and always will. The danger to this country in the future will not come from the South, but from other sections.

Mr. President, I am sure that the records made by southern men in these important positions met with the approval of all the people of our entire country regardless of politics. To-day in the South there are men suitable for these positions who are the equal of Justice L. Q. C. Lamar, Chief Justice White, Justice Joseph R. Lamar, and others who made such a splendid record as members of the Supreme Court, and it is conceded by all that Judson C. Clements was one of the ablest and best men who ever served on the Interstate Commerce Commission.

Some days ago I wrote President Harding a letter, which I asked to be placed in the RECORD, which reads as follows:

UNITED STATES SENATE,  
COMMITTEE ON APPROPRIATIONS,  
Washington, November 29, 1922.

THE PRESIDENT,  
The White House.

DEAR MR. PRESIDENT: I wish to request your consideration of the vast section known as the South in connection with the appointments being made to fill vacancies on the United States Supreme Court and various Federal commissions. Recently two appointments have been made to the Supreme Court by naming citizens from Utah and Minnesota.

I have no desire to present any appeal from a sectional standpoint, but I feel that the people of the South should have representation on some of the courts and commissions through citizens who have a knowledge of their customs, needs, and economic relations to the whole country.

It is my information that the Interstate Commerce Commission does not have a single commissioner in its membership who comes from the entire section south of a straight line drawn from Maryland to California. The Federal Trade Commission has no member from the southern section.

I do not seek to secure any political consideration for any particular person, and I have no aspirants to suggest, but I know you will agree with me that the South can furnish splendid men with excellent knowledge of governmental and public affairs.

With high esteem, I am, very sincerely yours,

WILLIAM J. HARRIS.

#### GREAT PEE DEE RIVER BRIDGE.

Mr. JONES of Washington. Mr. President, from the Committee on Commerce, in behalf of the Senator from New York [Mr. CALDER], I report back favorably with an amendment the bill (S. 4172) to authorize the building of a bridge across the Great Pee Dee River, S. C., and I submit a report (No. 963) thereon. I call the attention of the Senator from South Carolina [Mr. DIAL] to the bill.

Mr. DIAL. I ask unanimous consent for the immediate consideration of the bill.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The amendment was to add a new section, as follows:

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.



So as to make the bill read:

*Be it enacted, etc.*, That the counties of Marlboro and Darlington be, and they are hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Great Pee Dee River at a point suitable to the interests of navigation and at or near Society Hill, in Darlington County, S. C., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### THE COTTON-GROWING INDUSTRY.

Mr. HEFLIN. Mr. President, the Washington Post this morning contains an article from the Associated Press giving the amount of cotton exported for the month of November, and the amount consumed by the spinners of the United States for that month. The total exportation and home consumption amounts to 1,435,878 bales of cotton. At this rate of consumption by our spinners and including also the amount of exports, it would require nearly 2,000,000 bales of cotton more than the Government says the present crop will be. The Government estimates that the present crop will be less than 10,000,000 bales.

Texas is the largest cotton-producing State in the Union, and the commissioner of agriculture of that State has said that it costs about 25 cents a pound to produce the present crop for the State of Texas. I submit in the face of the fact that we have a crop too small to meet the world's demands, and in the face of the fact that it costs 25 cents a pound to produce it, that three-fourths of this crop has already gone out of the hands of the producer at a price less than 25 cents a pound. Much of it has been sold at unprofitable prices to the producer. There is only about one-fourth of it remaining in the hands of the producers and the price is now about 26 cents a pound.

There is no justification or excuse for the present price. The bear speculators are in control of the market and they are depressing the price and by their manipulation holding the price down which to-day, if the law of supply and demand was permitted to operate, would be 30 cents a pound and above.

I simply wanted to bring this matter to the attention of the Senate and the country so that they may know of this deplorable situation. Something has got to be done to enable the farmer of the South to produce cotton at a profit. If he had to-day a credit system under which he could borrow money on his cotton and hold it off the market, he could force the price up to 30 cents a pound. He could force it to a figure that would yield a profit. But not having a credit system responsive to the needs of agriculture he is at the mercy of the bear gamblers of Wall Street, who are to-day forcing cotton out of his hands at a price barely covering the cost of production, and after they get the cotton into their hands it will go to 30 cents a pound and perhaps higher. The speculator and foreign spinner will reap the benefit while the producer is robbed of the fruits of his toil. Senators, this situation is outrageous and indefensible. Something must be done before this Congress adjourns to free our distressed cotton producers from the clutches of market crooks and bear speculators. The business of the cotton producer must be put upon a sound and prosperous basis.

#### BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. NICHOLSON:

A bill (S. 4230) authorizing the acquirement of a site and the construction of a building for a post office at Boulder, Colo.; and

A bill (S. 4231) authorizing the acquirement of a site and the construction of a building for a post office at Brighton, Colo.; to the Committee on Public Buildings and Grounds.

#### STATISTICS OF FOREIGN COMMERCE—CONFERENCE REPORT.

The VICE PRESIDENT. Morning business is closed.

Mr. JONES of Washington. Mr. President, the bill (S. 3295) to consolidate the work of collecting, compiling, and publishing statistics of the foreign commerce of the United States in the Department of Commerce came over from the House a short time ago with some minor amendments, and I intended to move to concur in those amendments, but the senior Senator from Utah [Mr. Smoot] desired that the bill go to conference, so that he could investigate it. He made the investigation and has no objection to it. So the conference report was returned to the Senate. The House has acted upon it, and I ask that the conference report may be acted upon at this time.

The report was read and agreed to as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3295) to consolidate the work of collecting, compiling, and publishing statistics of the foreign commerce of the United States in the Department of Commerce, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House numbered 1, 2, and 3, and agree to the same.

W. L. JONES,  
KNUTE NELSON,  
DUNCAN U. FLETCHER,

*Managers on the part of the House.*

J. W. FORDNEY,  
W. R. GREEN,  
W. C. HAWLEY,  
JNO. N. GARNER,  
J. W. COLLIER,

*Managers on the part of the House.*

#### THE CHRISTMAS SPIRIT.

Mr. MYERS. Mr. President, the Christmas season is at hand and we are about to adjourn for the observance of Christmas Day. On that subject, I have a brief article from the Christian Observer, of Louisville. In this time of strife, contention, and unrest all over the world, when everybody is seeking peace and contentment and so many are not finding those things, I believe this to be an appropriate time to read the article in question, as expressive of a true sense of appreciation of the spirit of the occasion and as pointing the only true path to peace and remedy for unrest. With the indulgence of the Senate I shall read it:

#### CHRISTMAS—THE PINNACLE OF THE YEAR.

"Christmas is the pinnacle of the year. No normal heart in a land of light can completely escape the contagion of the Christmas spirit. Society, business, church, and home—all come under the spell of its mystic power. Like a great white flower, rich with foliage red and green, the Christmas season bursts through the snows of midwinter and fills the land with the fragrance of kindness and with the beauty of happiness.

"There is a bit of magic in the air on Christmas Day. There is something that makes folk smile, whether they are wont to smile or not. There is unheard music that throbs in people's very pulses and warms their hearts and gladdens their countenances. There seems to be a bit more of Heaven in the earth. Yes, that is just it—there is more of Heaven in the earth! The Babe of Bethlehem is in the thoughts of men, and the angels' song is echoing in their ears. Let the joy bells ring!

"The birth of the blessed Jesus compels humanity's acclaim. The angels could not be silent when the manger of Bethlehem cradled Him; neither can men be silent when the circling year brings round the season of His advent. With shepherds and Magi and heavenly heralds, we must burst into praise. 'For unto us a Child is born, unto us a Son is given; and the government shall be upon His shoulder; and His name shall be called Wonderful Counsellor, the Mighty God, the Everlasting Father, the Prince of Peace.' Mankind's chiefest need is the need of a Prince. Humanity's most pathetic want is the want of peace. Let the star shine far, and the angels' song be caroled in every land and tongue! For the Virgin's Child is the hope of the world!

"The world needs the Christmas spirit. For the Christmas spirit is a spirit of human brotherhood—'Peace on earth; good will among men!' For 2,000 years the proclamation has echoed in the skies. How long, O Lord, ere it shall echo in the hearts of nations, in the halls of state, and in the parliament of man? Let not hope and courage fail. The war clouds still are red, but the Prince of Peace must triumph. Had the carol of the heavenly host found a truer echo in the lives of professing Christians, His coming had not been so long delayed.

"Every community needs the Christmas spirit. For Christmas is a festival of friendship and cheerful generosity. It is the season of God's greatest gift to men. None can enter into the real joy of Christmas without giving. They find the sweetest joy who give to those who can make no return. Such giving partakes most truly of the spirit of Him who gave gifts unto men, and who said, 'It is more blessed to give than to receive.'

"Every home needs the spirit of Christmas. For the spirit of Christmas is a spirit of love and tender thoughtfulness; it

is a spirit of self-forgetfulness, and the happy giving of one's self, in gentle ministries, to those with whom one lives. That is the spirit that creates a home. Jesus has taught us the spiritual secrets that make happy home life possible. He has sanctified wedlock and revealed the glory that belongs to childhood. Our ideal of the home has not come out of a king's palace or a lordly mansion, but out of a stable and a carpenter's cot. Christmas is the high carnival of the home. It is the season for sweet reunions and for love's most lavish expressions. It is a season also when homes should be opened to the homeless. Christmas is preeminently the children's festival. It is a day that ought to be filled brimful of joy for every child. But let the joy be sanctified by thoughts of the Holy Child Jesus.

"Thank God for Christmas! Thank Him again for the people who have Christmas in their hearts the whole year round!"

I ask that what I have just read may be printed in the regular RECORD type.

The VICE PRESIDENT. Without objection, it is so ordered.

#### EXECUTIVE SESSION.

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 12 o'clock and 22 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously made, until Wednesday, December 27, 1922, at 12 o'clock meridian.

#### CONFIRMATIONS.

*Executive nominations confirmed by the Senate December 23, 1922.*

#### POSTMASTERS.

##### COLORADO.

Robert L. Newton, Arvada.  
Flossy H. Ritter, Austin.  
Joseph A. Measures, Grand Junction.  
Ethel M. DeBerry, Keenesburg.  
James R. Lysaght, San Acacio.

##### MICHIGAN.

Marie L. Mottes, Alpha.  
Elmer E. Fales, Belding.  
Dana Stowell, Comstock Park.  
Oscar W. Fowler, Greenville.  
Christine Anderson, Holton.  
Neil W. Roe, Lake Odessa.  
Oscar W. Greenlund, Stambaugh.  
Frank R. Church, Stanton.

##### MONTANA.

Laura P. Johnson, Darby.  
Franklin R. Whaley, Fairview.  
Malcolm K. Kedzie, Libby.

##### NEVADA.

Daniel E. Morton, Carson City.  
Anna L. Fleming, Jarbidge.  
Owen H. Bott, Mason.  
George L. Whorton, Yerington.

##### TEXAS.

Paul B. Mueller, Beeville.  
John K. Ford, Bogata.  
James S. Mewhinney, Buckholts.  
Lou Gammill, Calvert.  
Rebecca White, Carbon.  
William F. Moore, Kemp.  
John L. Dillon, Leonard.  
Arthur A. McNeil, Moody.  
William Tays, New Braunfels.  
Joseph Wren, Normangee.  
Gustave Natho, Skidmore.  
Ernest G. Langhammer, Somerville.  
Evan S. Howell, Stephenville.  
James M. Campbell, Strawn.  
Hiram H. McGuffey, Three Rivers.  
Miles B. Earnheart, Trenton.

##### UTAH.

Walter O. Lundgreen, Monroe.

## HOUSE OF REPRESENTATIVES.

SATURDAY, December 23, 1922.

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

We praise Thee, O Lord, for earth's gladdest day! Thou wilt soon speak Thy deepest note of love! We bless Thee that in the new earth that He shall bring there shall be no hate, and in His Heaven there shall be no cloud. We thank Thee that Thou dost satisfy the hunger-cry of earth. Let the angels' song break forth and flood the unborn years with peace. Give unto all of us the spirit that fulfills the obligations of His mission. Spirit of God, descend upon our whole land and awaken the wearied hearts of men with Christmas cheer and good will. Bind our citizenship together in confidence and create in it strong desires for the things that ennoble our Republic. The Lord bless our President and fill all homes with the sweetest joy. Remember the children, and may they bring to their parents increasing comfort while the days go by. And O the loved ones not at home and far away and the families separated—gather them all beneath the shadow of Thy wing and keep us all strong and pure in the faith of our Heavenly Father. Amen.

The Journal of the proceedings of yesterday was read and approved.

#### PENSIONS—REFERENCE OF BILLS.

Mr. FULLER. Mr. Speaker, I ask unanimous consent that the bill H. R. 12157 and the bill H. R. 12545, omnibus pension bills, be recommitted to the Committee on Invalid Pensions.

The SPEAKER. The gentleman from Illinois asks unanimous consent that the two bills referred to, omnibus pension bills that are on the calendar, be rereferred to the Committee on Pensions. Is there objection?

There was no objection.

#### EXTENSION OF REMARKS.

Mr. GREENE of Vermont. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the proposed tariff on potash.

The SPEAKER. The gentleman from Vermont asks unanimous consent to extend his remarks in the RECORD as indicated. Is there objection?

There was no objection.

The extension of remarks referred to is here printed in full as follows:

Mr. GREENE of Vermont. Mr. Speaker, it will be recalled that before the recent tariff act became a law and while the bill was still before Congress an attempt was made to impose a small duty on potash imported for fertilizer purposes, to be limited to a period of three years, after which potash was to be placed on the free list.

It is a recognized fact that this country is dependent upon foreign potash for its supply for fertilizer uses, and that the producers in Germany and France practically have a monopoly of this business. This situation was brought home to American farmers with bitterness and to their great cost during the World War, and led to various experiments looking to the establishment of the potash industry in this country with a view to making us independent of the foreign monopoly.

Potash production got under way in America as a result of World War necessities and had already made considerable progress when this tariff duty on potash was proposed. It was not certain that the industry could be developed to that point where it would actually supply all the potash needed in the United States. Some people had doubts that it ever could be, while others were more confident. However, some very eminent authorities believed the experiment was worth trying anyway, and that, even if it did not turn out that we would be able finally to produce all the potash required for our domestic needs, we might succeed in producing enough to hold the foreign monopoly somewhat in check maybe and tend to stabilize the price at a reasonable figure.

At any rate, the tariff duty was to be kept on potash for only three years. If in that time the experiment of domestic production succeeded, well and good; the industry might take care of itself without the tariff after that, and the fact that potash was then to go onto the free list would prevent the establishment of a potash monopoly right here at home in the place of the foreign monopoly it was hoped to escape from by this experiment.